

Hobbies

Hobby pros hope to weed out unethical rare coin dealers

By Roger Boye

A committee of hobby pros is calling for the establishment of a "self-regulatory organization" that would help weed out unethical dealers in the rare coin business.

Among other things, the SRO should be given enforcement powers by Congress so that it could impose rules on companies that buy and sell old coins, said California dealer Hugh Sconyers, chair of a seven-member coin-industry "steering committee." An SRO also would foster consumer education and promote the hobby.

Sconyers' committee was formed last October during a "numismatic summit meeting" in California attended by dozens of dealers. Most of those persons

agreed that the industry should regulate itself—something it has never done before—to restore consumer confidence.

Sconyers said that in the next few weeks, hobby publications will run advertisements asking collectors and others to say how they think the industry best could police itself.

"If the input [for an SRO] is positive, and I think it will be, the dealer community would have to commit itself financially," Sconyers said. As much as \$400,000 would be needed to pay for—among other things—the legal and lobbying fees in getting an SRO approved by Congress.

"Fund raising will be a slow process," Sconyers said on Jan. 16. "Dealers have their energies focused in other directions right now, such as surviving in the

market downturn."

Not all hobby leaders believe that more regulation is needed. Writing in a recent issue of *Coin World*, two owners of the respected Bowers and Merena Galleries Inc. of Wolfeboro, N. H., said the coin business "is already regulated, and quite extensively so" by the Federal Trade Commission and U. S. Postal Service, among others.

Also, almost everyone in and out of the hobby agrees that the vast majority of coin dealers adhere to good business practices.

But some lawmakers in Washington have called for even tougher laws and improved government enforcement to combat companies that use high-pressure sales tactics or sell over-graded coins. Many hobby experts be-

lieve the coin industry can police itself more effectively than Uncle Sam.

Said David L. Ganz, a governor of the American Numismatic Association and a New York attorney: "The rare-coin industry is united in its resolve to halt deceptive practices. How that's done and how to pay for it are the questions."

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Again this year, the American Numismatic Association will award scholarships to as many as 25 youths to attend the ANA's summer conference in Colorado

Springs, Colo.

Scholarships include room, board, tuition and round-trip airfare to Colorado, worth several hundred dollars.

Participants study topics such as counterfeit detection, coin grading, or errors and varieties. For an application, write to ANA Educational Services Department, 818 N. Cascade Ave., Colorado Springs, Colo. 80903, or call, toll-free, (800) 367-9723. Deadline for completed applications is April 1, and applicants must be between 13 and 17 years old on Jan. 31.